

# The NO Tax Increase Budget

House Republicans - April 2007

# 2007 Budget Climate

## Major Priorities / Focus of 2006 Campaigns

- Healthcare
- Energy
- Jobs & the Economy

## 2007 Session

- Still the big three (Healthcare, Energy, and Jobs & the Economy)
- Governor introduces education plan

## Current Fiscal Climate

2007 - \$628 million surplus (and rising)

2008 - \$400 million deficit

2009 - \$800 million deficit

**Citizens are asking:**

**“Why do we need to raise taxes with a half a billion dollar surplus?”**

# GOVERNOR'S BUDGET PROPOSAL

## Major Spending Initiatives in Vital Areas

### Education

Changes to ECS formula and additional money for towns  
Recent education accountability initiative

### Health Care

Charter Oak Health Plan (Premium Subsidies)  
HUSKY enrollment

### Taxes

Broad-based increase in income tax  
Phase-out of estate tax  
Energy tax breaks  
Car Tax Elimination

# DEMOCRATS'

# BUDGET PROPOSAL

## Increased Taxes:

Income Tax

On individuals making \$79,700 or more

On couples making \$150,000 or more

Estate Tax

Sales Tax on Clothing

Internet Sales Tax

Cigarette Tax

Funeral Tax

Business Tax Credit

Real Estate Conveyance Tax



**All of this to fund a budget that increases spending by  
\$1.6 billion or 10.4%.**



# **DEMOCRATS'** ***UNSUSTAINABLE*** **BUDGET PROPOSAL**

- |                        |   |                                      |
|------------------------|---|--------------------------------------|
| Bad for Families       | - | Taxes on Clothes                     |
| Raises Taxes           | - | Income tax, estate tax, and gift tax |
| Hurts Small Businesses | - | Business Tax Credit reduced          |
| Kills Housing Market   | - | Conveyance Tax is made permanent     |
| Even Taxes the Dead    | - | Funeral Expenses are all fully taxed |

**THIS IS THE DEMOCRATS' IDEA  
OF A TAX CUT!!!!**

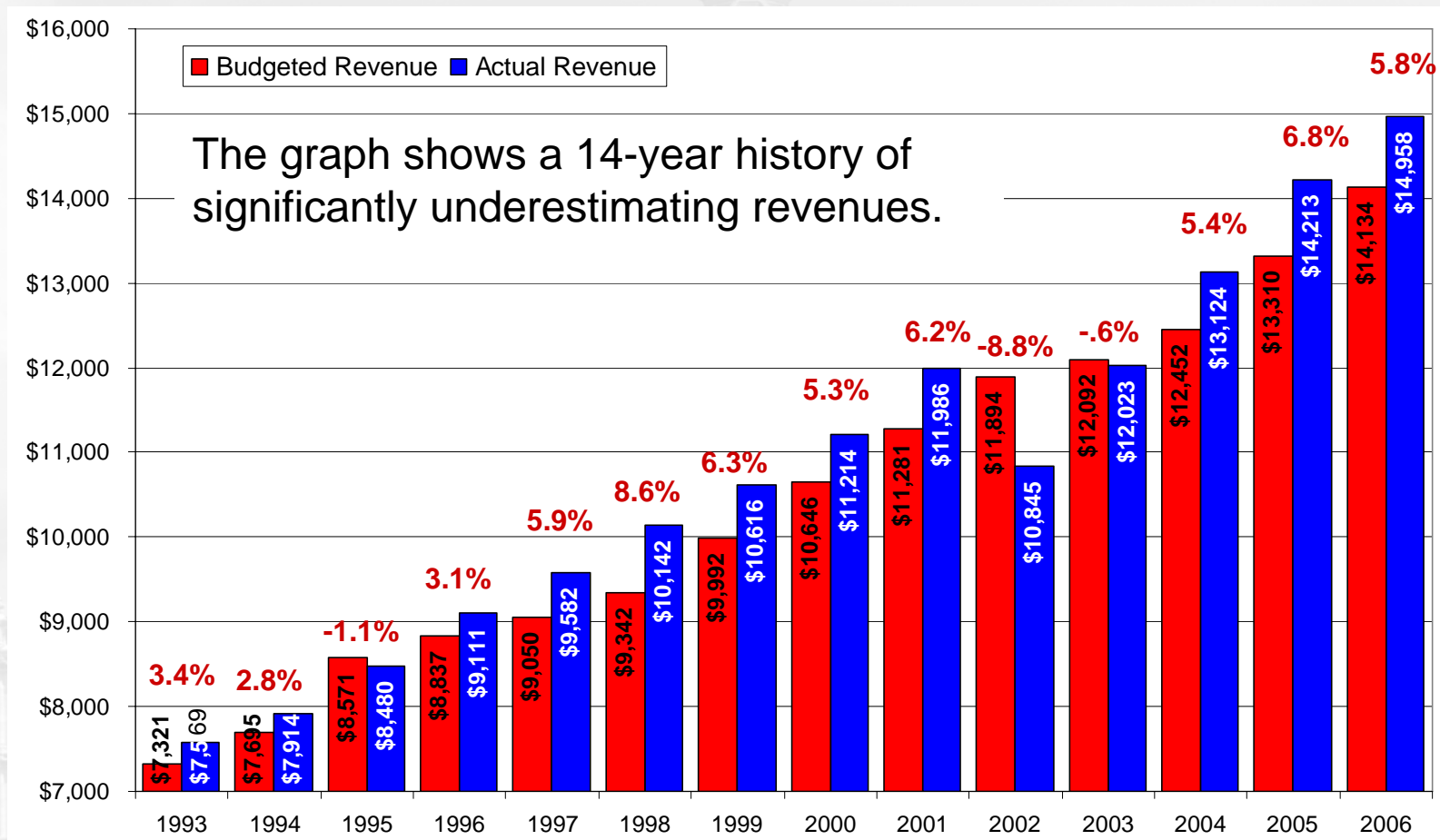
# **“NO TAX INCREASE” BUDGET**

## ***OUR BUDGET PRINCIPLES:***

- Create a Responsible and Fair Budget
- Maintain current government services
- Invest in Connecticut’s Future in Key, Vital Areas:
  - Education
  - Health Care
  - Energy
  - Jobs/Economic Growth
- *Must NOT Raise Taxes*

# “NO TAX INCREASE” BUDGET:

Connecticut Budget REVENUE forecasting.....a HISTORY of UNDERESTIMATES!



9/11 Impact

# Revenue Increases

1993	\$248 million	
1994	\$219 million	
1995	(\$92) million	
1996	\$274 million	
1997	\$532 million	
1998	\$800 million	
1999	\$624 million	
2000	\$568 million	
2001	\$704 million	
2002	(\$1,049) million	} 9/11 Impact
2003	(\$69) million	
2004	\$672 million	
2005	\$903 million	
2006	\$824 million	

**As a result of 14 years of underestimating revenues, taxpayers paid OVER 5 billion dollars unnecessarily.**



# “NO TAX INCREASE” BUDGET

Connecticut Budget REVENUE forecasting...  
a HISTORY of UNDERESTIMATES!

1. Danger of Underestimating Revenue
  - Higher Taxes
2. 14-year Historic Review
  - 1993-2006: + 3.51 % (Including 2002 and the 9/11 effect)
  - 1993-2006: + 4.46 % (WITHOUT 9/11 effect)

To be **CONSERVATIVE** with our **NO TAX INCREASE BUDGET** – we used **3.5%**

What does this mean for the next two years?

FY 2008: +550 Million

FY 2009: +570 Million

# **“NO TAX INCREASE” BUDGET: PRIORITIES**

- ✓ Not a Slash and Burn Budget
- ✓ NO PROGRAM IS CUT from current spending level
- ✓ INCREASES in Vital, Key Areas
  - Energy
  - Health Care
  - Jobs/Economic Growth
  - State Aid to Municipalities
  - Education

# “NO TAX INCREASE” BUDGET: PRIORITIES

## ENERGY

- \$26** million – Energy Conservation and Load Management Fund
- \$31** million – Eliminating sales tax on electricity for businesses
- \$ 9** million – Exempt energy-related products from the sales tax

## HEALTH CARE

- \$87** million – Increased Medicaid rates for hospitals
- \$50** million – Increased Medicaid rates for other providers
- \$39** million – COLA for private providers
- \$13** million – COLA for nursing homes
- \$14** million – Increase enrollment in HUSKY
- \$30** million – Tax credit for individuals and small businesses

# **“NO TAX INCREASE” BUDGET: PRIORITIES**

## **JOBS / ECONOMIC GROWTH**

**\$25** million – Eliminate Business Entity Tax

**\$20** million – Learn Here, Live Here

**\$33** million – Increase of exemption for income tax on seniors' pensions

**\$41** million – Culture and Tourism projects

**\$ 2** million – Dairy Farmers

## **STATE AID TO MUNICIPALITIES**

**\$23** million more for PILOTs, Town Aid Road, and Pequot Fund

## **EDUCATION**

**\$1.1** billion - Fully Fund Teachers' Retirement System over two years

**\$1.4** million - Education Accountability

**\$358** million - Education funding (ECS) over two years

FY08: \$100 million in new ECS formula; \$54 to eliminate the cap

FY 09: \$150 million in ECS formula; \$54 million to continue cap elimination



# **OUR EDUCATION FUNDING PROPOSAL: A MORE FAIR DISTRIBUTION OF SCHOOL FUNDING**

- **Eliminate the Cap on ECS**
- **Hold Harmless**
- **Hold Harmless Supplement**
- **Limited English Proficiency**
- **Mastery Test Improvement**
- **Town Wealth**

# OUR EDUCATION FUNDING PROPOSAL: A MORE FAIR DISTRIBUTION OF SCHOOL FUNDING

*EVERY TOWN/CITY will get MORE*

*Some Highlights:*

Municipalities	Governor		Democrats		Republicans	
	FY 08 ECS Increase	FY 08 Income Tax Increase	FY 08 ECS Increase	FY 08 Income Tax Increase	FY 08 ECS Increase	FY 08 Income Tax Increase
<b>Stamford</b>	\$5,197,803	\$23,286,306	\$1,857,148	\$950 million total increase	2,461,513	\$0
<b>Fairfield</b>	\$1,332,140	\$18,315,614	\$630,523	\$950 million total increase	2,270,677	\$0
<b>Madison</b>	\$545,855	\$5,802,029	\$234,746	\$950 million total increase	882,104	\$0
<b>Bethel</b>	\$370,932	\$2,558,815	\$510,041	\$950 million total increase	552,705	\$0

# “NO TAX INCREASE” BUDGET:

NO Tax Increases.....  
but REAL Tax Cuts

- Restore Sales tax exemption for clothing
- Sales Tax Exemption on Energy-related Products
- Elimination of electricity sales tax on businesses
- Increase of exemption for income tax on pensions
- Learn Here, Live Here
- Tax credit for individuals and small businesses purchasing health insurance
- Elimination of the Business Entity Tax
- Phaseout of the Estate Tax and elimination of cliff
- No Internet sales tax scheme

**Citizens NOW have a REAL Choice.....  
between Tax Increases....and NO TAX Increases**

# **“NO TAX INCREASE” BUDGET RECAP**

## **Spending**

	Gov's Budget	Dems' Budget	NO TAX INCREASE BUDGET
FY 2008	\$17,461.9	\$17,795.5	\$17,276.3
FY 2009	\$18,328.0	\$18,644.5	\$17,932.7

## **Exceeding the Spending Cap**

	Gov's Budget	Dems' Budget	NO TAX INCREASE BUDGET
FY 2008	\$520.8	\$852.9	\$390
FY 2009	\$-28.4	\$-57	\$-170



# “NO TAX INCREASE” BUDGET RECAP

## Raising Your Taxes

	Gov's Budget	Dems' Budget	NO TAX INCREASE BUDGET
FY 2008	\$624.9	\$862.9	<b>\$0</b>
FY 2009	\$669.4	\$806.2	<b>\$0</b>

## Use of Surplus

	FY 08	FY 09	
Dairy Farmers	\$2.0		
Teachers' Retirement	\$150.0	\$200.0	
Medicaid		\$137.0	
Nursing Homes Rate Increase		\$13.0	
Victims' Compensation	\$0.9		
Culture and Toursim (Marketing)	\$5.0		
Carryforwards	\$95.3		
Town Aid Road	<u>\$8.0</u>	<u>\$8.0</u>	\$628.0 Beginning Surplus
	<b>\$261.2</b>	<b>\$358.0</b>	<b>\$619.2</b> Total Surplus Used
			\$8.8 Remaining Surplus

# **New Education Money Distribution**

**Eliminate Cap** – Currently, the formula is capped in such a way that no town can ever receive more than a 6% increase, regardless what the town is entitled to under the formula. This would eliminate that cap.

**Hold Harmless** – Ensures that no town's aggregate funding will be cut from one year to the next. (No town would ever receive a cut in aggregate education funding from one year to the next.)

**Hold Harmless Supplement** – Provides additional money to ensure that per pupil funding remains at least at the same level as it was in the previous year. (No town would ever receive a cut in per pupil education funding from one year to the next.)

**Limited English Proficiency** – Gives additional weight to students learning English as a second language.

**Mastery Test Improvement** – Gives additional weight to students in towns where Master Test Scores improved from one year to the next. (This eliminates the old component of the formula which rewarded school districts for underperforming. This new component will encourage improvement. To receive additional money, towns must show improvement in student performance.)

**Town Wealth** – Ranks towns using a calculation that more accurately reflects the wealth of towns – the average of each town's Per Capita Income, Median Household Income, and Equalized Net Grand List Per Capita. This yields an aid ratio. (This is a simplified version of town wealth that more accurately reflects differences in wealth, rather than exaggerating differences, as the current wealth calculation does.)

	Governor		Democrats		Republicans	
	FY 08 ECS Increase	FY 08 Income Tax Increase	FY 08 ECS Increase	FY 08 Income Tax Increase	FY 08 ECS Increase	FY 08 Income Tax Increase
Municipalities						
Andover	\$344,920	\$468,346	\$298,831	\$950 Million Total Increase	256,562	\$0
Ansonia	\$1,685,969	\$1,082,604	\$1,747,479	\$950 Million Total Increase	704,654	\$0
Ashford	\$441,571	\$452,293	\$339,946	\$950 Million Total Increase	156,782	\$0
Avon	\$502,264	\$8,722,189	\$249,814	\$950 Million Total Increase	920,595	\$0
Barkhamsted	\$364,999	\$78,663	\$364,823	\$950 Million Total Increase	502,729	\$0
Beacon Falls	\$548,740	\$650,546	\$504,196	\$950 Million Total Increase	262,381	\$0
Berlin	\$1,508,014	\$3,223,253	\$1,435,776	\$950 Million Total Increase	1,735,537	\$0
Bethany	\$373,293	\$1,270,331	\$414,526	\$950 Million Total Increase	238,848	\$0
Bethel	\$370,932	\$2,558,815	\$510,041	\$950 Million Total Increase	552,705	\$0
Bethlehem	\$92,405	\$575,536	\$60,470	\$950 Million Total Increase	101,228	\$0
Bloomfield	\$1,036,471	\$2,870,376	\$1,389,830	\$950 Million Total Increase	1,781,431	\$0
Bolton	\$389,834	\$1,058,750	\$379,434	\$950 Million Total Increase	171,198	\$0
Bozrah	\$142,910	\$325,994	\$134,527	\$950 Million Total Increase	70,078	\$0
Branford	\$458,704	\$5,010,755	\$210,705	\$950 Million Total Increase	630,159	\$0
Bridgeport	\$17,100,074	\$2,642,355	\$11,742,849	\$950 Million Total Increase	4,779,830	\$0
Bridgewater	\$35,568	\$667,904	\$13,829	\$950 Million Total Increase	49,335	\$0
Bristol	\$5,721,014	\$5,508,519	\$5,199,701	\$950 Million Total Increase	3,011,265	\$0
Brookfield	\$353,144	\$3,836,393	\$123,820	\$950 Million Total Increase	470,132	\$0
Brooklyn	\$758,489	\$499,803	\$772,727	\$950 Million Total Increase	265,414	\$0
Burlington	\$737,918	\$2,123,789	\$756,662	\$950 Million Total Increase	475,077	\$0
Canaan	\$5,702	\$329,536	\$9,503	\$950 Million Total Increase	28,438	\$0
Canterbury	\$206,602	\$430,756	\$217,152	\$950 Million Total Increase	160,242	\$0
Canton	\$769,907	\$2,158,329	\$764,217	\$950 Million Total Increase	944,439	\$0
Chaplin	\$169,110	\$197,790	\$125,318	\$950 Million Total Increase	71,547	\$0
Cheshire	\$1,213,642	\$6,831,877	\$1,520,138	\$950 Million Total Increase	882,688	\$0
Chester	\$18,305	\$722,560	\$30,509	\$950 Million Total Increase	89,639	\$0
Clinton	\$186,659	\$1,801,805	\$296,607	\$950 Million Total Increase	381,444	\$0
Colchester	\$1,725,753	\$2,279,632	\$1,697,069	\$950 Million Total Increase	710,962	\$0
Colebrook	\$47,674	\$110,691	\$62,382	\$950 Million Total Increase	42,295	\$0
Columbia	\$364,112	\$988,758	\$324,586	\$950 Million Total Increase	166,065	\$0
Cornwall	\$29,914	\$168,574	\$12,118	\$950 Million Total Increase	46,699	\$0
Coventry	\$882,987	\$1,606,266	\$871,991	\$950 Million Total Increase	398,860	\$0



Cromwell	\$830,305	\$2,371,450	\$939,452	\$950 Million Total Increase	637,479	\$0
Danbury	\$5,489,299	\$5,741,626	\$4,966,042	\$950 Million Total Increase	6,673,701	\$0
Darien	\$663,987	\$12,939,481	\$329,510	\$950 Million Total Increase	811,393	\$0
Deep River	\$52,844	\$734,475	\$77,406	\$950 Million Total Increase	121,139	\$0
Derby	\$687,089	\$910,123	\$584,169	\$950 Million Total Increase	305,419	\$0
Durham	\$463,838	\$1,709,443	\$439,963	\$950 Million Total Increase	251,223	\$0
East Granby	\$381,914	\$887,014	\$505,091	\$950 Million Total Increase	528,828	\$0
East Haddam	\$508,011	\$1,165,860	\$522,226	\$950 Million Total Increase	156,569	\$0
East Hampton	\$1,058,948	\$1,958,418	\$964,719	\$950 Million Total Increase	254,844	\$0
East Hartford	\$5,429,706	\$2,363,864	\$5,536,353	\$950 Million Total Increase	3,751,661	\$0
East Haven	\$1,649,952	\$2,264,855	\$1,360,263	\$950 Million Total Increase	1,656,375	\$0
East Lyme	\$472,483	\$3,019,949	\$325,735	\$950 Million Total Increase	780,731	\$0
East Windsor	\$865,056	\$1,044,789	\$769,636	\$950 Million Total Increase	884,292	\$0
Eastford	\$120,032	\$164,125	\$119,070	\$950 Million Total Increase	183,432	\$0
Easton	\$229,926	\$3,320,758	\$104,897	\$950 Million Total Increase	484,481	\$0
Ellington	\$1,175,769	\$2,283,817	\$1,247,081	\$950 Million Total Increase	468,605	\$0
Enfield	\$3,984,572	\$3,346,588	\$3,280,200	\$950 Million Total Increase	1,779,754	\$0
Essex	\$139,395	\$1,874,906	\$59,875	\$950 Million Total Increase	243,618	\$0
Fairfield	\$1,332,140	\$18,315,614	\$630,523	\$950 Million Total Increase	2,270,677	\$0
Farmington	\$613,893	\$7,218,161	\$274,982	\$950 Million Total Increase	1,114,488	\$0
Franklin	\$97,193	\$244,627	\$105,736	\$950 Million Total Increase	55,946	\$0
Glastonbury	\$2,165,357	\$10,626,497	\$2,344,946	\$950 Million Total Increase	2,001,219	\$0
Goshen	\$58,130	\$490,772	\$26,330	\$950 Million Total Increase	96,660	\$0
Granby	\$967,122	\$2,343,087	\$1,086,703	\$950 Million Total Increase	818,978	\$0
Greenwich	\$1,312,132	\$55,997,683	\$600,655	\$950 Million Total Increase	1,160,159	\$0
Griswold	\$1,113,722	\$751,173	\$890,786	\$950 Million Total Increase	395,659	\$0
Groton	\$698,435	\$2,270,566	\$1,164,059	\$950 Million Total Increase	1,008,850	\$0
Guilford	\$193,108	\$6,246,463	\$140,328	\$950 Million Total Increase	611,115	\$0
Haddam	\$535,976	\$1,339,233	\$550,553	\$950 Million Total Increase	772,385	\$0
Hamden	\$2,749,812	\$7,101,205	\$2,991,590	\$950 Million Total Increase	1,351,680	\$0
Hampton	\$71,385	\$243,156	\$61,361	\$950 Million Total Increase	51,552	\$0
Hartford	\$9,890,205	\$1,878,435	\$11,459,436	\$950 Million Total Increase	4,849,021	\$0
Hartland	\$103,582	\$230,714	\$78,592	\$950 Million Total Increase	65,873	\$0
Harwinton	\$273,947	\$963,079	\$260,726	\$950 Million Total Increase	167,849	\$0
Hebron	\$1,085,185	\$1,881,567	\$1,035,601	\$950 Million Total Increase	768,171	\$0
Kent	\$53,700	\$453,137	\$18,846	\$950 Million Total Increase	79,942	\$0

Killingly	\$1,533,271	\$680,977	\$1,085,224	\$950 Million Total Increase	544,997	\$0
Killingworth	\$61,310	\$1,398,992	\$102,183	\$950 Million Total Increase	192,050	\$0
Lebanon	\$693,649	\$869,801	\$677,235	\$950 Million Total Increase	250,393	\$0
Ledyard	\$1,215,706	\$2,203,779	\$1,162,796	\$950 Million Total Increase	526,682	\$0
Lisbon	\$366,231	\$346,410	\$313,967	\$950 Million Total Increase	155,551	\$0
Litchfield	\$345,550	\$1,706,032	\$312,833	\$950 Million Total Increase	226,292	\$0
Lyme	\$45,526	\$793,679	\$21,409	\$950 Million Total Increase	73,896	\$0
Madison	\$545,855	\$5,802,029	\$234,746	\$950 Million Total Increase	882,104	\$0
Manchester	\$3,525,168	\$5,777,981	\$3,515,620	\$950 Million Total Increase	1,467,187	\$0
Mansfield	\$918,522	\$1,833,448	\$971,165	\$950 Million Total Increase	386,419	\$0
Marlborough	\$291,293	\$1,388,925	\$290,175	\$950 Million Total Increase	202,814	\$0
Meriden	\$6,304,653	\$3,968,091	\$5,690,606	\$950 Million Total Increase	2,192,641	\$0
Middlebury	\$181,986	\$1,996,928	\$205,181	\$950 Million Total Increase	345,109	\$0
Middlefield	\$315,106	\$712,598	\$283,221	\$950 Million Total Increase	148,300	\$0
Middletown	\$2,910,786	\$4,651,254	\$2,707,724	\$950 Million Total Increase	2,774,078	\$0
Milford	\$295,298	\$8,585,898	\$492,163	\$950 Million Total Increase	1,281,053	\$0
Monroe	\$723,308	\$4,223,500	\$702,546	\$950 Million Total Increase	694,296	\$0
Montville	\$1,625,828	\$1,713,640	\$1,437,680	\$950 Million Total Increase	584,304	\$0
Morris	\$18,110	\$413,464	\$30,184	\$950 Million Total Increase	65,286	\$0
Naugatuck	\$2,764,642	\$2,421,150	\$2,401,728	\$950 Million Total Increase	1,058,878	\$0
New Britain	\$8,419,296	\$2,146,224	\$7,725,983	\$950 Million Total Increase	5,131,079	\$0
New Canaan	\$616,893	\$17,378,248	\$289,489	\$950 Million Total Increase	723,131	\$0
New Fairfield	\$126,607	\$1,902,296	\$242,810	\$950 Million Total Increase	485,198	\$0
New Hartford	\$352,865	\$1,687,676	\$346,971	\$950 Million Total Increase	203,670	\$0
New Haven	\$10,027,084	\$5,164,304	\$9,243,054	\$950 Million Total Increase	4,064,373	\$0
New London	\$1,589,628	\$1,047,605	\$1,494,614	\$950 Million Total Increase	840,318	\$0
New Milford	\$1,257,933	\$3,410,324	\$802,252	\$950 Million Total Increase	721,107	\$0
Newington	\$2,120,921	\$3,518,286	\$1,975,004	\$950 Million Total Increase	1,190,119	\$0
Newtown	\$324,960	\$6,349,417	\$196,391	\$950 Million Total Increase	886,609	\$0
Norfolk	\$10,498	\$311,580	\$17,497	\$950 Million Total Increase	44,732	\$0
North Branford	\$1,045,386	\$2,026,891	\$847,890	\$950 Million Total Increase	469,618	\$0
North Canaan	\$261,564	\$45,311	\$173,187	\$950 Million Total Increase	96,737	\$0
North Haven	\$1,054,908	\$3,867,093	\$1,074,884	\$950 Million Total Increase	884,639	\$0
North						
Stonington	\$116,988	\$680,766	\$132,689	\$950 Million Total Increase	150,250	\$0
Norwalk	\$2,769,371	\$12,175,311	\$456,914	\$950 Million Total Increase	1,872,089	\$0

Norwich	\$3,886,729	\$2,212,471	\$3,127,466	\$950 Million Total Increase	1,160,255	\$0
Old Lyme	\$181,676	\$2,620,282	\$81,126	\$950 Million Total Increase	305,668	\$0
Old Saybrook	\$216,106	\$2,002,650	\$92,601	\$950 Million Total Increase	326,725	\$0
Orange	\$346,305	\$3,588,826	\$158,176	\$950 Million Total Increase	575,017	\$0
Oxford	\$562,373	\$1,931,760	\$618,405	\$950 Million Total Increase	350,978	\$0
Plainfield	\$1,348,838	\$665,566	\$1,380,331	\$950 Million Total Increase	505,621	\$0
Plainville	\$1,338,834	\$1,599,240	\$1,246,027	\$950 Million Total Increase	501,065	\$0
Plymouth	\$928,074	\$1,048,371	\$1,035,834	\$950 Million Total Increase	395,367	\$0
Pomfret	\$350,203	\$547,575	\$367,716	\$950 Million Total Increase	143,012	\$0
Portland	\$625,420	\$1,463,765	\$675,868	\$950 Million Total Increase	267,927	\$0
Preston	\$348,937	\$535,168	\$366,410	\$950 Million Total Increase	144,408	\$0
Prospect	\$711,226	\$1,296,679	\$751,219	\$950 Million Total Increase	299,067	\$0
Putnam	\$402,110	\$314,680	\$485,075	\$950 Million Total Increase	249,285	\$0
Redding	\$257,033	\$3,819,062	\$118,237	\$950 Million Total Increase	409,928	\$0
Ridgefield	\$806,943	\$9,589,661	\$366,765	\$950 Million Total Increase	1,266,255	\$0
Rocky Hill	\$887,941	\$3,075,125	\$1,117,348	\$950 Million Total Increase	961,127	\$0
Roxbury	\$48,610	\$719,766	\$19,706	\$950 Million Total Increase	73,221	\$0
Salem	\$271,922	\$705,343	\$230,325	\$950 Million Total Increase	148,421	\$0
Salisbury	\$63,682	\$726,556	\$26,614	\$950 Million Total Increase	92,801	\$0
Scotland	\$130,685	\$82,411	\$145,240	\$950 Million Total Increase	54,158	\$0
Seymour	\$1,278,704	\$1,718,702	\$1,126,340	\$950 Million Total Increase	483,843	\$0
Sharon	\$46,643	\$478,837	\$19,509	\$950 Million Total Increase	67,867	\$0
Shelton	\$500,220	\$6,462,292	\$228,264	\$950 Million Total Increase	978,970	\$0
Sherman	\$97,952	\$662,132	\$44,722	\$950 Million Total Increase	178,329	\$0
Simsbury	\$2,071,897	\$7,278,019	\$2,219,705	\$950 Million Total Increase	2,983,978	\$0
Somers	\$867,211	\$1,389,528	\$953,786	\$950 Million Total Increase	563,645	\$0
South Windsor	\$2,273,966	\$4,940,004	\$2,390,410	\$950 Million Total Increase	1,297,571	\$0
Southbury	\$868,591	\$3,904,883	\$1,230,841	\$950 Million Total Increase	1,567,107	\$0
Southington	\$3,130,749	\$6,536,879	\$3,046,124	\$950 Million Total Increase	1,697,638	\$0
Sprague	\$151,443	\$226,668	\$146,281	\$950 Million Total Increase	90,677	\$0
Stafford	\$1,019,482	\$807,882	\$895,060	\$950 Million Total Increase	385,349	\$0
Stamford	\$5,197,803	\$23,286,306	\$1,857,148	\$950 Million Total Increase	2,461,513	\$0
Sterling	\$380,263	\$121,275	\$399,960	\$950 Million Total Increase	141,263	\$0
Stonington	\$137,784	\$4,450,586	\$94,556	\$950 Million Total Increase	431,474	\$0
Stratford	\$3,947,706	\$5,346,489	\$3,481,121	\$950 Million Total Increase	2,337,435	\$0
Suffield	\$1,309,368	\$2,671,650	\$1,496,168	\$950 Million Total Increase	1,724,568	\$0

Thomaston	\$561,540	\$760,281	\$711,378	\$950 Million Total Increase	260,207	\$0
Thompson	\$762,717	\$333,097	\$671,604	\$950 Million Total Increase	295,385	\$0
Tolland	\$1,543,897	\$2,868,444	\$1,645,077	\$950 Million Total Increase	763,845	\$0
Torrington	\$3,305,664	\$2,543,959	\$3,028,284	\$950 Million Total Increase	1,477,593	\$0
Trumbull	\$869,868	\$7,949,009	\$345,366	\$950 Million Total Increase	1,250,600	\$0
Union	\$28,340	\$129,803	\$31,261	\$950 Million Total Increase	19,114	\$0
Vernon	\$1,987,837	\$2,994,648	\$1,677,333	\$950 Million Total Increase	773,935	\$0
Voluntown	\$75,044	\$216,579	\$116,345	\$950 Million Total Increase	81,618	\$0
Wallingford	\$2,371,384	\$6,108,904	\$2,214,692	\$950 Million Total Increase	1,291,581	\$0
Warren	\$30,609	\$223,550	\$12,131	\$950 Million Total Increase	50,716	\$0
Washington	\$68,932	\$1,148,463	\$28,749	\$950 Million Total Increase	101,830	\$0
Waterbury	\$14,490,111	\$3,676,422	\$12,716,721	\$950 Million Total Increase	8,202,594	\$0
Waterford	\$502,448	\$2,867,957	\$675,603	\$950 Million Total Increase	907,947	\$0
Watertown	\$1,510,052	\$2,791,797	\$1,322,059	\$950 Million Total Increase	654,144	\$0
West Hartford	\$4,366,010	\$15,813,475	\$4,645,529	\$950 Million Total Increase	3,700,250	\$0
West Haven	\$3,582,387	\$3,119,617	\$3,578,058	\$950 Million Total Increase	1,764,644	\$0
Westbrook	\$139,250	\$1,023,231	\$54,774	\$950 Million Total Increase	1,582,951	\$0
Weston	\$374,289	\$7,287,224	\$180,143	\$950 Million Total Increase	511,460	\$0
Westport	\$809,110	\$17,103,306	\$398,359	\$950 Million Total Increase	1,006,287	\$0
Wethersfield	\$2,281,187	\$4,066,923	\$2,389,114	\$950 Million Total Increase	3,865,919	\$0
Willington	\$358,991	\$698,012	\$306,452	\$950 Million Total Increase	171,056	\$0
Wilton	\$629,951	\$9,737,975	\$308,374	\$950 Million Total Increase	906,586	\$0
Winchester	\$855,002	\$840,965	\$726,316	\$950 Million Total Increase	309,752	\$0
Windham	\$2,709,394	\$805,273	\$2,206,171	\$950 Million Total Increase	761,123	\$0
Windsor	\$1,925,270	\$3,641,562	\$2,130,886	\$950 Million Total Increase	1,782,528	\$0
Windsor Locks	\$1,368,395	\$1,012,562	\$1,361,366	\$950 Million Total Increase	2,493,309	\$0
Wolcott	\$1,693,236	\$1,966,245	\$1,800,258	\$950 Million Total Increase	1,332,227	\$0
Woodbridge	\$233,107	\$4,789,987	\$101,739	\$950 Million Total Increase	375,184	\$0
Woodbury	\$194,551	\$2,275,162	\$70,885	\$950 Million Total Increase	272,657	\$0
Woodstock	\$786,459	\$784,978	\$648,302	\$950 Million Total Increase	401,124	\$0



**FY 08 and FY 09 Budget Growth Rates  
(based on OFA Adjustments)**

The OFA calculation of the growth rate of the budget for all appropriated funds in FY 08 and FY 09 is 6.2% and 4.0%.

	FY 07	FY 08	Amount	Percent	FY 08	FY 09	Amount	Percent
	OFA Est. Expenditure (1)	Alternative Budget	of Change	Change (Adjusted)	Alternative Budget	Alternative Budget	of Change	Change (Adjusted)
<b>General Fund</b>								
Base	14,812.3	15,988.1	1,175.8	7.9%	15,988.1	16,594.0	605.9	3.8%
Adjustments (2)	518.8	317.6			317.6	370.2		
<b>Subtotal</b>	<b>15,331.1</b>	<b>16,305.7</b>	<b>974.6</b>	<b>6.4%</b>	<b>16,305.7</b>	<b>16,964.2</b>	<b>658.5</b>	<b>4.0%</b>
<b>Transportation Fund</b>								
Base	1,043.1	1,099.5	<b>56.4</b>	5.4%	1,099.5	1,149.4	49.9	4.5%
Adjustment(3)	13.9	8.0			8.0	8.0		
<b>Subtotal</b>	<b>1,057.0</b>	<b>1,107.5</b>	<b>50.5</b>	<b>4.8%</b>	<b>1,107.5</b>	<b>1,157.4</b>	<b>49.9</b>	<b>4.5%</b>
<b>Other Appropriated Funds (5)</b>								
Base	174.6	188.7	<b>14.14</b>	8.1%	188.7	189.3	0.60	0.3%
Adjustments (4)	4.8	0.9			0.9	-		
<b>Subtotal</b>	<b>179.4</b>	<b>189.6</b>	<b>10.24</b>	<b>5.7%</b>	<b>189.6</b>	<b>189.3</b>	<b>(0.30)</b>	<b>-0.2%</b>
<b>Total - All Appropriated Funds</b>	<b>16,567.4</b>	<b>17,602.8</b>	<b>1,035.4</b>	<b>6.2%</b>	<b>17,602.8</b>	<b>18,310.9</b>	<b>708.1</b>	<b>4.0%</b>

(1) General Fund and Transportation Fund estimates are as of February 2, 2007 . These estimates reflect deficiencies and lost lapses, yet exclude expenditures from carry-forwards.

Agency	Program	Changes To Gov. Budget	
		FY 2008	FY 2009
New Programs			
<u>General Government A</u>			
Elections Enforcement Commission	Establish Legal Compliance Unit	Same	Same
<u>General Government B</u>			
DRS	Establish a Refund Theft Program	(\$462,218)	(\$488,469)
OPM	Provide funds for OPEB study	(\$100,000)	Same
OPM	Provide a tax exemption for hybrid vehicles	Same	Same
OPM	Provide funding for UCONN's CT Extension service's land use education and research (CLEAR) program	Same	Same
<u>Regulation and Protection</u>			
DPS	Provide funding to implement Governor's solid waste hauling advisory group	(\$117,889)	(\$123,784)
Department of Energy	Establish department (PS & OE)	(\$230,000)	(\$230,000)
<u>Conservation and Development</u>			
OWC	Provide funding for Small Business Innovation Research (SBIR) Matching Grants	Same	Same
DoAG	Reinstate funding for oyster cultch program	Same	Same
DEP	Adopt recommendations of solid waste hauling advisory group	(\$55,000)	(\$53,000)
DEP	Increase land use decision making capabilities	(\$207,200)	(\$212,400)
DEP	Increase state mapping capabilities	(\$1,400,000)	(\$90,000)
DECD	Fund hydrogen fuel cell industry assistance	Same	Same
DECD	Fund southeast CT economic development initiative	Same	Same
Ag. Experiment Station	Fund crops/biodiesel fuel research	Same	Same
<u>Health and Hospitals</u>			
DPH	Create online licensing system	Same	(\$1,170,000)
DPH	Enhance electronic vital registry system	Same	Same
DPH	Enhance information technology infrastructure	Same	(\$655,225)
DPH	Enhance laboratory information management system	Same	(\$253,100)
OHCA	Implement E-health initiative	Same	Same
<u>Transportation</u>			
DMV	Implement personal property/car tax relief - revenue plan	(\$500,000)	Same
DOT	Provide funding for in-house inspection of construction projects valued less than \$50	Same	Same

million

DOT	Fund southeast CT Intermodal transportation center plan	Same	Same
DOT	Enhance bus and rail operations	Same	Same
<u>Human Services</u>			
DSS	Provide rate increase for HUSKY MCO's	Same	(\$14,000,000)
DSS	Implement program of disease management under Medicaid	Same	Same
DSS	Establish Charter Oak Health Plan	(\$18,860,100)	(\$33,584,300)
DCF	Initiate planning for next generation LINK system	Same	(\$250,000)
DCF	Develop parent assessment/treatment tools	(\$150,000)	(\$100,000)
<u>Higher Education</u>			
DHED	Governor's economic development initiative - scholarships	(\$100,000)	(\$100,000)
DHED	Provide funding for the Governor's early childhood initiative	Same	Same
Regional Community-Tech. Colleges	Initiate Medical Device Manufacturing program	(\$500,000)	(\$500,000)
<u>Elementary and Secondary Education</u>			
SDE	Implement new accountability	Same	Same
SDE	Increase school readiness funding	(\$500,000)	(\$500,000)
<b>Expanded Programs</b>			
<u>General Government A</u>			
Elections Enforcement Commission	Provide funding for summer workers/seasonal accountants	(\$65,273)	(\$65,273)
<u>General Government B</u>			
State Treasurer	Provide funding for the CHEFA daycare program	Same	Same
OPM	Establish private provider low wage pool	(\$15,000,000)	(\$17,000,000)
<u>Regulation and Protection</u>			
DPS	Additional funding for a trooper training class	Same	Same
DPS	Provide funding to reduce DNA backlog	Same	Same
DPS	Increase funding for fleet purchase	(\$500,000)	(\$500,000)
Military Department	Provide funding for enhanced maintenance at the state armories	Same	Same
DCP	Provide additional funding for online licensing	(\$44,177)	(\$44,177)
<u>Conservation and Development</u>			
DECD	Increase rental registry	Same	Same
DECD	Increase elderly congregate rent subsidy	Same	Same

Health and Hospitals

Department of Veterans' Affairs	Increase veteran burial benefit	Same	Same
Department of Veterans' Affairs	Increase funding for veterans headstone installation	Same	Same
Department of Veterans' Affairs	Increase funding to enhance veteran residential services	Same	Same
DPH	Enhance funding for tuberculosis testing	Same	Same
DPH	Expand easy breathing childhood asthma program	Same	Same
DMR	Increase case manager positions	Same	Same
DMR	Increase funding in birth-to-three to reflect eligibility changes	Same	Same
DMHAS	Increase specialized discharge dollars	(\$600,000)	(\$600,000)
DMHAS	Continue funding of supportive housing - See DSS	(\$1,119,950)	(\$1,521,150)
DMHAS	Develop additional capacity for young adult services	(\$1,447,500)	(\$2,437,500)

Transportation

DOT	Expand CHAMP Program (new positions)	Same	Same
DOT	Expand CHAMP Program (carryforward FY 07 Lapse)	Same	Same

Human Services

DSS	Increase department staffing	(\$836,150)	(\$1,004,150)
DSS	Increase access to the HUSKY program	Same	Same
DSS	Increase Medicaid long term care income deduction	Same	Same
DSS	Implement rate equity for DSS State funded child care centers	Same	Same
DSS	Annualize housing initiative - See DMHAS	Same	Same
DCF	Pick-up with state funds Hartford Youth project	Same	Same
DCF	Pick-up with state funds PARK project	Same	Same
DCF	Pick-up with state funds Work to Learn program	Same	Same
DCF	Increase in home services capacity	Same	Same
DCF	Expand emergency mobile psychiatric services	Same	Same
DCF	Support individualized services/legal settlement	Same	Same
DCF	Expand boys and girls club programming	Same	Same
DCF	Increase rates for Adoption, Foster Care & Subsidized Guardianship	Same	Same

Higher Education

DHED	Increase funding for CT Independent College Student Grant (CICSG)	(\$9,200,000)	(\$9,200,000)
DHED	Increase funding for CT Aid for Public College Students (CAPCS)	(\$9,400,000)	(\$9,400,000)

Elementary and Secondary Education

SDE	Increase ECS funding by \$100 million each year	(\$74,000,000)	(\$178,246,531)
SDE	Increase funding for Priority School Districts	Same	Same
SDE	Increase support for CT Pre-engineering	Same	Same
SDE	Increase funding for Magnet Schools	Same	(\$15,000,000)
SDE	Increase funding for Charter Schools	Same	(\$3,000,000)
SDE	Increase support for OPEN Choice	Same	Same
SDE	Increase funding for vo-ag	Same	Same

State Library	Increase funding for statewide digital library	(\$131,547)	(\$131,547)
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State Library	Increase funds for legal/legislative materials	(\$291,310)	(\$291,310)
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Judicial and Corrections

Division of Criminal Justice	Increase funding for training and education	Same	Same
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DOC	Provide staff to accommodate provisional pardons	Same	Same
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Judicial Department	Expand pretrial (bail) release and services to reduce prison overcrowding	Same	Same
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Judicial Department	Provide funding to eliminate a backlog in victim compensation	(\$900,000)	Same
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Public Defender Services Commission	Increase compensation for contract attorneys in child protection matters	Same	Same
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Public Defender Services Commission	Increase compensation for special public defenders	Same	Same
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Other Adjustments

ECLM	Make whole from securitization	\$26,000,000	\$26,000,000
Medicaid Rate Increase	Hospitals	\$87,000,000	\$87,000,000
Medicaid Rate Increase	Nursing Homes 1% '08	\$13,000,000	\$13,000,000
Medicaid Rate Increase	All Others	\$50,000,000	\$50,000,000
Private Provider COLA	3% COLA	\$39,000,000	\$39,000,000
Other Expenses	Increase of 1% over FY 07	(\$26,110,000)	(\$25,770,000)
Debt Service	Additional anticipated savings	(\$20,000,000)	(\$20,000,000)
Culture Tourism		\$10,000,000	\$10,000,000
Gun Trafficking Task Force		\$500,000	\$500,000
State Pilot		\$5,000,000	\$5,000,000
Private Pilot		\$5,000,000	\$5,000,000
Pequot		\$5,000,000	\$5,000,000

<b>SUB-TOTAL:</b>		<b>\$57,671,686</b>	<b>(\$246,021,916)</b>
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## FURTHER REDUCTIONS

### General Government A

Office of State Ethics	Anticipated delay in start dates for new Enforcement Division positions	(\$30,000)	Same
Freedom of Information Commission	Eliminate funding for IT position	Same	(\$64,515)
Contracting Standards Board	Eliminate funding for Board	Same	Same

### General Government B

Office of Policy and Management	Increase funding for Regional Planning Agencies	Same	Same
Office of Policy and Management	Adjust funding for Emergency Contingency - energy costs	(\$10,000,000)	(\$10,000,000)
Department of Information Technology	Funding for 2 of 4 Disaster Recovery and Risk Management positions (start date 1/1/08)	(\$252,750)	(\$185,754)

### Regulation and Protection

Department of Public Safety	Funding for 100 new chairs - obtain through CEPF instead	(\$100,000)	(\$100,000)
Department of Public Safety	Funding for IT hardware and maintenance support - obtain through CEPF instead	(\$261,765)	(\$560,594)

### Health and Hospitals

Department of Mental Retardation	Approps. Budget Expenditure Update - Workers' Compensation Claims	(\$500,000)	(\$1,000,000)
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### Transportation

Department of Motor Vehicles	MCSIA - Approps. Budget adjustment - 4 fewer positions	(\$115,200)	(\$115,200)
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### Human Services

Department of Social Services	Medicaid - General Update	(\$5,253,179)	(\$5,253,179)
Department of Social Services	Medicaid - Hospital Update	(\$2,993,831)	(\$2,993,831)
Department of Social Services	Medicaid - Pharmacy Update	(\$26,486,523)	(\$26,486,523)
Department of Social Services	Medicaid - Nursing Home Update	(\$32,000,000)	(\$32,000,000)
Department of Social Services	Medicaid - HUSKY Update	(\$11,587,645)	(\$17,610,558)
Department of Children and Families	Approps. Budget Expenditure Update - Workers' Compensation Claims	(\$450,000)	(\$450,000)
Department of Children and Families	Approps. Expenditure Update - Board and Care for Children	(\$3,269,522)	(\$2,446,669)

<b>Sub-Total - Further Reductions:</b>		(\$93,300,415)	(\$99,266,823)
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<b>Funding Out of Surplus</b>	<b>Teachers Retirement Pension - Reduce Operating Exp</b>	<b>(\$150,000,000)</b>	<b>(\$50,000,000)</b>
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<b>TOTAL REDUCTIONS:</b>		<b>(\$185,628,729)</b>	<b>(\$395,288,739)</b>
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Sub-Total - Further Reductions:		(\$93,300,415)	(\$99,266,823)
Funding Out of Surplus	Teachers Retirement Pension - Reduce Operating Exp	(\$150,000,000)	(\$50,000,000)
TOTAL REDUCTIONS:		(\$185,628,729)	(\$395,288,739)